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2 April 1986

## MEMORANDUM FOR THE RECORD

SUBJECT: The Office of Finance First Quarterly Review

1. The Office of Finance First Quarterly Review Session with the DDA was held on 3 February 1986 at 0925 hours. Mr. Allen Elkins gave a brief introduction in which he outlined what each speaker was going to discuss.

2. The first speaker, [ ] addressed the establishment of an adequate human resource base. He began with a status report of the Office of Finance Career Service, which has a total of [ ] employees. [ ] of these are in the External Service, and [ ] are in Main Finance. He provided a thorough explanation of the typical career path. Then he mentioned that there are currently [ ] vacancies, in contrast to the end of FY 1984, at which time OF was [ ] employees over-strength. [ ] stated that there were a variety of reasons for this deficiency in personnel; OF has been faced with a high number of retirements, resignations, transfers out, and rotational assignments in the last 15 months. [ ] also talked about the exceedingly slow recruitment process and he remarked that OF gets one EOD for every 3.5 processed applications. At this point, the office is sponsoring nine career trainees, but the goal is two to three per class. OF expects to achieve this aim by direct hire and internal sponsoring. The speaker also discussed OF language requirements and training needs. He said that in FY 85, training played an enormous role. During that period, [ ] careerists attended [ ] internal courses totaling [ ] hours, [ ] employees attended 70 courses at universities totaling 2,774 hours, and [ ] employees attended 56 seminars totaling 1,293 hours. He concluded his segment with a description of the OF professional, whereupon the DDA asked a number of questions concerning career track movement and promotions. Mr. Elkins provided the response by stating that there was a need to rotate personnel so that fraud could be more readily uncovered and so that personnel felt they were enjoying an enriching career.

3. Next, [ ] spoke on the effect of internal initiatives on the human resource base. He stated that new initiatives come up almost weekly and that they are of two types. The large-scale significant proposals are surprisingly quite easy to administer, while the more modest proposals pose more difficulties. [ ] provided several examples of modest proposals and their anticipated effect on OF. One concerned the Relocation Income Tax Allowance and the overtime hours it is demanding of OF personnel. Another example concerned the [ ] program. The [ ] increasing its number of case officers and that move will place a burden on OF, [ ]

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[ ] Before concluding, [ ] described two major proposals and their impact on OF. The first example concerned civil service retirement and the other dealt with social security. OF will have to develop at least two automated systems to handle the administration of these programs should they come in-house, and that will require manpower.

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4. [ ] then briefed attendees on the resource implications of contract audit. The Commercial Systems and Audit Division (CSAD) has [ ] auditors at the present time. [ ] explained that they assist in the procurement process by performing such duties as pre-award financial capability audits, pre-award cost analyses of proposals, post-award audits of claims, and final audits. In addition, they act as members of the cost evaluation team and advisors to the contracting officer, and they author different types of advisory reports. [ ] also gave a breakdown of the number of DI and CIA contracts issued each year since FY 1977. In FY 1977, the agency issued only [ ] contracts, but by FY 1985, the number had climbed to [ ]. Not all of those contracts were auditable, of course, but the figure still serves to illustrate the enormity of the Agency contracting business. Finally, [ ] talked about CSAD's workload and performance statistics. He stated that at the end of FY 1985, there were still [ ] auditable contracts on hand. These contracts involved a total of [ ] contractors and [ ]

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5. The final speaker, [ ] discussed the world of currency and banking. He began by explaining the duties of the Treasury Branch which include field and domestic funding, CIARDS funding and investments, and vendor payments. Then he talked about domestic banking. The FY 85 activity of this branch totaled [ ] and the FY 86 planned activity may amount to as much as [ ]. [ ] also described the mission and functions of [ ]

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6. After this presentation, there was general discussion and the meeting was adjourned.

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